



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt resolution authorizing the City Manager to allocate a Public Benefits Program grant to fund a portion of the Lodi Grape Festival Solar Demonstration Project (\$50,000) (EUD)

MEETING DATE: September 15, 2004

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt a resolution authorizing the City Manager to allocate a Public Benefits Program grant to fund a portion of the Lodi Grape Festival Solar Demonstration Project.

BACKGROUND INFORMATION: Following several months of review and discussion, the Lodi Grape Festival organization has elected to pursue the purchase and installation of a 43.4 kilowatt (kW) solar energy project – averaged out, this is enough energy to meet the needs of ten Lodi homes during the course of a year.

The total project cost for the purchase and installation of the 324 solar panels and associated materials is \$217,000. The grant dollars requested from the City of Lodi Public Benefits Program fund is \$50,000, or approximately 23 percent of the total project cost. The solar panels will be positioned atop Jackson Hall on the grounds of the Lodi Grape Festival. The California Construction Authority, chosen by the Lodi Grape Festival to install the solar demonstration project, is pursuing a grant from the California Energy Commission's Self-Generation Incentive Program* as an additional funding source for this project.

By installing the solar panels, the Lodi Grape Festival is projected to reduce electric energy consumption by some 75,000 kilowatt hours per year, with an actual energy cost savings of approximately \$11,000. The project will serve as an excellent display for the general public, promoting the use of the sun as renewable energy source, which generates a clean or "green" source of electricity. *(Note: three years ago, the City of Lodi installed a 3.6 kW solar system on the grounds of the Municipal Service Center, and this demonstration site has been viewed by numerous citizens and other municipal agencies investigating solar power options.)*

The Electric Utility staff respectfully recommends approval of this grant as a qualifying component of the City of Lodi Public Benefits Program fund, under the category of Renewable Energy Resources & Technologies. During the fiscal year 2004-2005, staff has budgeted to expend \$125,000 of Public Benefits Program funds in the area of renewable energy technologies, such as the proposed Lodi Grape Festival Solar Demonstration Project.

* The Self-Generation Incentive Program is administered for the California Energy Commission by investor-owned electric utilities, such as Pacific Gas & Electric Company and San Diego Gas & Electric Company.

APPROVED: 
Janet S. Keeter, Interim City Manager

FUNDING: 164608 – Public Benefits Program
(Category: Renewable Energy Resources & Technologies)

Funding Approval: 
James Krueger, Finance Director


Alan N. Vallow
Electric Utility Director

PREPARED BY: Rob Lechner, Manager, Customer Service and Programs

ANV/RL/lst

cc: City Attorney

RESOLUTION NO. 2004-184

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO ALLOCATE A PUBLIC BENEFITS
PROGRAM GRANT TO FUND A PORTION OF THE LODI
GRAPE FESTIVAL SOLAR DEMONSTRATION PROJECT

=====

WHEREAS, the state has mandated that beginning January 1, 1998, the City of Lodi is obligated to fund various programs through a Public Benefits Charge (PBC) based on an historical electric revenue requirement; and

WHEREAS, the requirement amounts to approximately \$1 million per year that must be dedicated to qualifying programs such as energy efficiency. A further stipulation is that these efforts must be done on the customer's side of the meter in order to qualify; and

WHEREAS, the City of Lodi's Public Benefits Program is comprised of four segments or customer groups: commercial/industrial, residential, community/non-profit, and municipal; and

WHEREAS, following several months of review and discussion, the Lodi Grape Festival organization has elected to pursue the purchase and installation of a 43.4 kilowatt (kW) solar energy project; and

WHEREAS, the total project cost for the purchase and installation of the 324 solar panels and associated materials is \$217,000. The grant dollars requested from the City of Lodi Public Benefits Program fund is \$50,000, or approximately 23 percent of the total project cost; and

WHEREAS, the solar panels will be positioned on Jackson Hall located on the Lodi Grape Festival grounds. The California Construction Authority, chosen by the Lodi Grape Festival to install the solar demonstration project, is pursuing a grant from the California Energy Commission's Self-Generation Incentive Program as an additional funding source for this project; and

WHEREAS, by installing the solar panels, the Lodi Grape Festival is projected to reduce electric energy consumption by some 75,000 kilowatt hours per year, with an actual energy cost savings of approximately \$11,000; and

WHEREAS, this project will serve as an excellent display for the general public, promoting the use of the sun as a renewable energy source, which generates a clean or "green" source of electricity; and

WHEREAS, the Electric Utility staff recommends approval of this grant as a qualifying component of the City of Lodi Public Benefits Program fund, under the category of Renewable Energy Resources & Technologies. During the fiscal year 2004-05, staff has budgeted to expend \$125,000 of Public Benefits Program funds in the area of renewable energy technologies, such as the proposed Lodi Grape Festival Solar Demonstration Project.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to allocate a Public Benefits Program grant to fund a portion of the Lodi Grape Festival Solar Demonstration Project in the amount of \$50,000.00.

Dated: September 15, 2004

=====

I hereby certify that Resolution No. 2004-184 was passed and adopted by the Lodi City Council in a regular meeting held September 15, 2004, by the following vote:

AYES: COUNCIL MEMBERS – Beckman, Hitchcock, Howard, Land, and Mayor Hansen

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON
City Clerk